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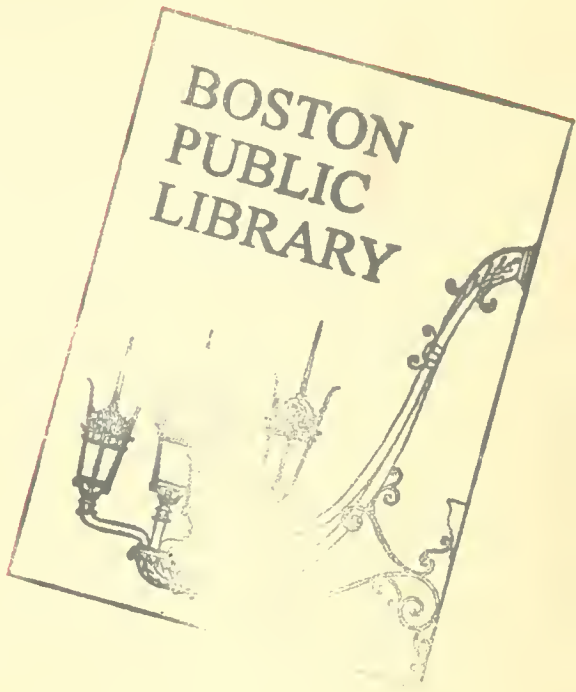

Meetinghouse Hill Area.
An Analysis of Residential Abandonment and Business Area Decline

District Planning Department
Boston Redevelopment Authority

June, 1974

Dorchester
B65R.Me
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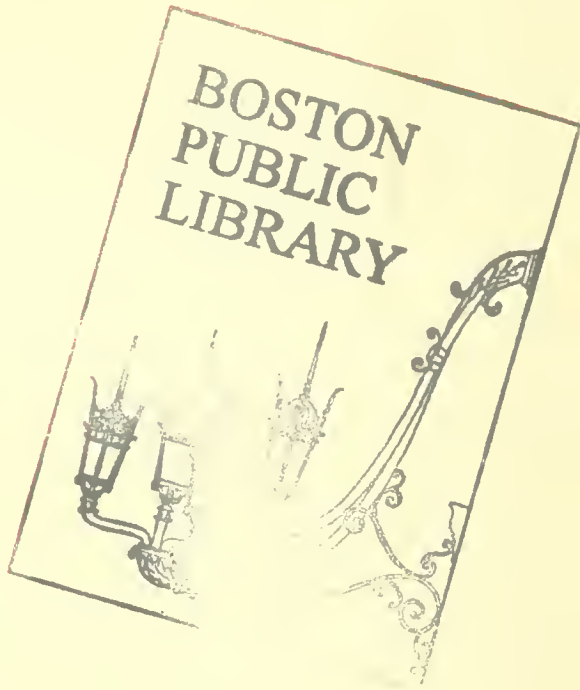

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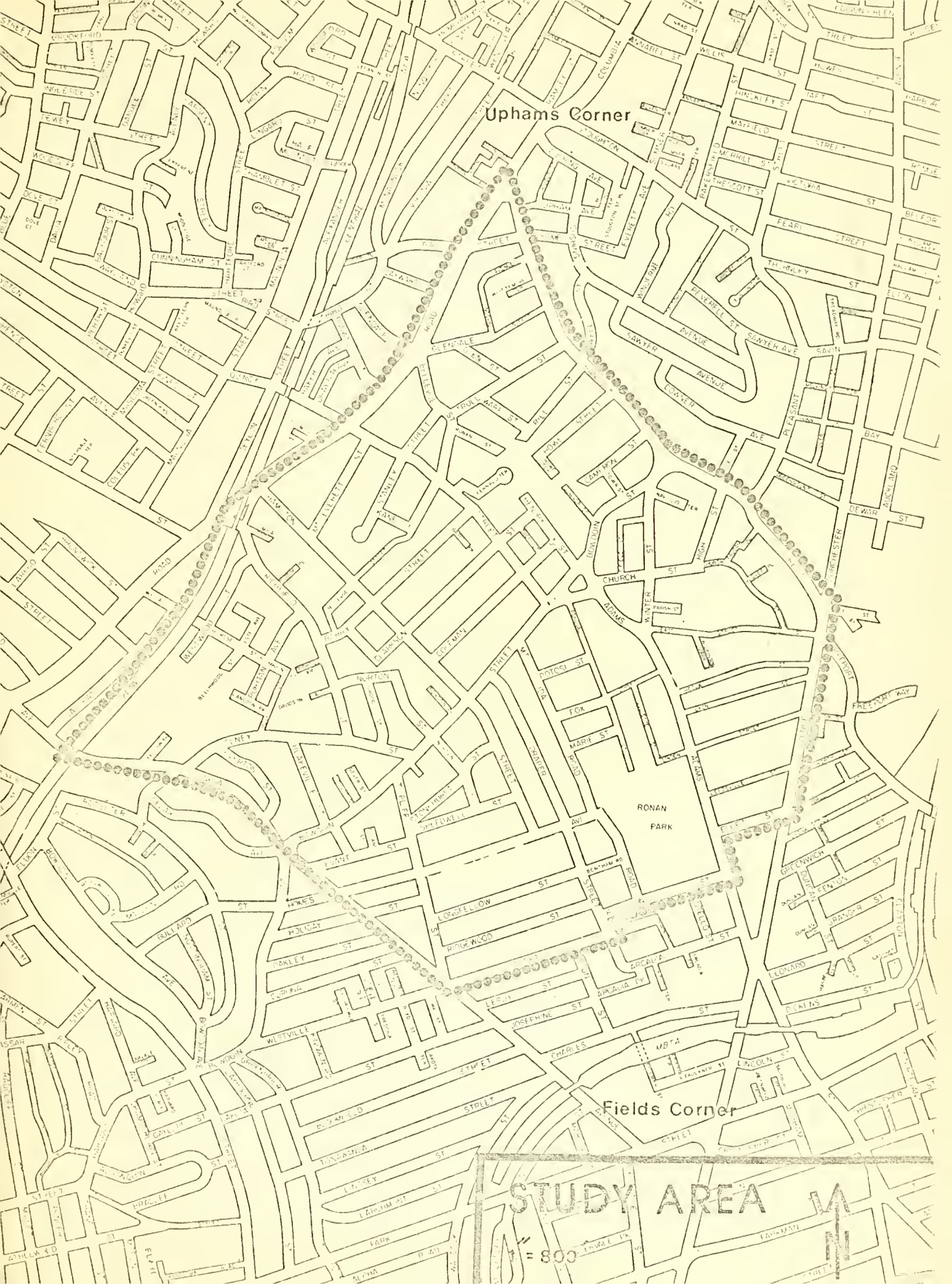
Uphams Corner
RONAN PARK
Fields Corner
STUDY AREA
1" = 800'

I. An Overview - Problems and Causes - In the Meeting House Hill section of Dorchester as in many other parts of the city, the community has expressed concern about the deterioration and abandonment of residential buildings and the decline of the neighborhood commercial area on Bowdoin Street. These two concerns are closely inter-related and result from changes in a large number of factors which effect the community. Some of the underlying changes have been taking place over a long period of time, others are recent. Many of the changes are national in scope, others are more peculiar to Massachusetts and the City of Boston. These changes include: high interest rates and a shortage of funds for mortgage and home improvement loans, high unemployment rates, a sharply rising cost of living which has drastic effects on those whose incomes are not rising equally fast, an over reliance on the real property tax to fund local government, difficulty in maintaining adequate City services, increasing vandalism of public and private property, fear on the part of residents and financial institutions of racial change in the community, the desire for "suburban" living, increased automobile ownership and the growth of supermarkets, discount and chain stores. Together these changes have resulted in a lack of maintenance and new investment by homeowners, landlords and businessmen in the Meeting House Hill area.

One common underlying factor in both the decline of business along Bowdoin Street and the deterioration of housing in the adjacent residential neighborhoods is the change in income level of the local residents. The U.S. Census reports that from 1960 to 1970 the median family income in the Metropolitan

area rose 71% with an increase of 60% in the City of Boston. In the Meeting House Hill area incomes rose only 30% in the area north of Bowdoin Street and 40% in the area to the south. The purchasing power available to maintain residential properties and to support neighborhood stores has thus declined substantially in relation to changes in the economy of the City and the region. Even though the median family income in the area is similar to the City average, it is considerably lower, in relative terms, than it once was and therefore less commercial activity can be supported and levels of housing maintenance have declined. Between 1960 and 1970 the area shifted from one where median family income was from 5% to 15% above the City to one where income levels were only 1% above to 7% below the City median.

II. Bowdoin Street Commercial District

A. Causes of Decline - The commercial vitality of Bowdoin Street has been strained not only by the decline in purchasing power of the typical resident family and the 9% decrease from 1960 to 1970 in the number of residents, but also by all of the factors which have impacted small neighborhood commercial districts throughout the City. The trolley car lines which were the initial life blood of these streets have been replaced by heavy streams of automobiles. Fewer people do their shopping as pedestrians and parking is difficult. The number of automobiles available has increased dramatically and people tend to use them for trips to shopping centers and supermarkets where prices are lower due to the volume of business. The economics of the retail

business has shifted to such an extent that even some suburban supermarkets and shopping centers of the early 1950's are considered obsolete by their operators.

1. Marketing Trends - In a situation like Bowdoin Street where there are small older style stores located in an area which is not a major crossroad, the change in retail patterns demands that businessmen not continue in traditional patterns, but discern the needs of the community which can be served economically from small scale neighborhood locations. Merchandisers must adapt to changing consumer preferences and to changes in the type of customer being served.

Many older local businesses are individual proprietorships which are unlikely to make major changes in their methods of operating and will continue as long as the owner can break even by cutting back on building maintenance and modernization. It may be difficult to encourage these businesses to invest in improving the appearance of the commercial area. In many cases the shift to new businesses which can be successful will have to come from new proprietors, community residents who see an opportunity to meet a community need or someone attracted from outside the community. The new "Grandma's Attic" thrift store on Bowdoin Street represents an attempt to develop a new business which will not suffer from competition with shopping centers. The neighborhood can help by patronizing the local merchants when it is economically reasonable to do so, rather than, out of habit, driving to a shopping center.

2. Parking - Lack of parking and traffic congestion are problems common to most older commercial areas and the tight pattern of development leaves little space for solutions. In order to be useful in neighborhood centers, parking must be very convenient; this generally means right in front of, or adjacent to, the individual store. The available on-street parking in the commercial area must be reserved for customers and a continual turnover assured by rigid police enforcement of parking regulations. This requires merchant cooperation in ensuring that the regulations are appropriate, in supporting police enforcement and in not parking in front of their own stores.

A City owned site exists on Bowdoin Street which could provide approximately 15 off-street parking spaces. The location however is somewhat peripheral to the center of activity and may not be convenient enough to serve as a stimulant to business. If the merchants, employees and other long term parkers are currently monopolizing the curb spaces, it may be possible to improve the parking situation on the street by diverting these cars to this off street lot. These questions can best be answered with the help of the residents and merchants in order to insure that any expenditure of city funds would in fact improve the business climate on Bowdoin Street.

The concept of a privately owned lot which would be fenced and locked with spaces leased on a monthly basis for merchant and employee parking has been considered in other sections of the City as a possible solution to providing security for vehicles parked all day while freeing the spaces in front of the stores

for high turnover customer parking. This approach should be discussed by Bowdoin Street merchants.

3. Public Safety - The need for better police protection is seen as a deterent to doing business in many neighborhood commercial areas. Police community relations officers have worked successfully with merchants in South Boston and are currently working with Codman Square merchants to improve police protection and to develop mutual assistance among the merchants.

According to a 1970 study of crime done by the Mayor's Office of Justice Administration, robbery, assault and burglary in Boston were 20% to 30% less frequent than in other cities with populations of over 500,000 people. The Meeting House Hill section reported these crimes at a rate below the City average with the exception of residential burglaries in the area north of Bowdoin Street. The rise in crime in Boston from 1966 to 1969 was also studied and showed an increase at the same rate as the national increase. For the customer who is assaulted or the merchant who is only marginally profitable, however, a crime rate which is below the average rate of crime is still a problem. Improved communications among businessmen, community groups and the police can reduce unfounded fears and rumors, which may be a greater deterent to customers than actual crime, as well as develop a mutual understanding of the needs and limitations of all concerned and produce a positive program to meet the needs.

B. Public Responsibilities

Capital Improvements - Improvements for Bowdoin Street will come from the public sector in the form of street reconstruction,

new lighting and utilities replacement. Plans for this work are being reviewed by the Commissioner of Public Works and it was expected that construction would occur in the Spring of 1975.

City Services - The primary city service of importance to the commercial area is maintenance of clean streets. This requires cooperation among businessmen, residents, police and Public Works Department employees. The major need is to ensure that parked cars do not block the path of the street sweepers. This and related problems can best be worked out with the coordination of the Little City Hall manager who can bring all of the concerned parties together.

III. Residential Areas

A. Causes of Decline

1. Decreasing Incomes - The deterioration of residential properties is greater in the area to the north of Bowdoin Street than to the south. The roots of deterioration and of this difference between opposite sides of Bowdoin Street can be seen in changes occurring between 1960 and 1970 and documented by the U. S. Census. The income of residents north of Bowdoin Street increased only 30%, as compared with a 40% increase in the area to the south, both resulting in substantially diminished purchasing power. Homeownership remained steady in the southern area with 33% of the dwelling units owner occupied but declined from 33% to 29% in the northern area. The non-white population increased from less than 0.2% in both areas in 1960 to 1.5% south of Bowdoin Street and 7.8% north of Bowdoin Street. North of Bowdoin Street,

18% of the population was classified by the 1970 Census as below the poverty level while 10% of the population to the south had poverty level incomes.

2. Decrease in Mortgage Availability

A major nationwide phenomenon which has severely effected Dorchester has been the rapid rise in interest rates and the lack of home mortgage loan money in the savings banks. This frequently means that the individual homeowner cannot get money for improvements at a cost he can afford. The potential home buyer may not be able to get financing at all and if he does will find the cost high.

Someone who bought a $20,000 house in the early 1960's with a 6% mortgage would find when trying to sell it now that the prospective buyer must pay 9% interest. This means that the property must generate $40 per month more in rent in order for the new buyer to afford it. For a single family house, or if the rents are not to be raised, the prospective buyer would have to have an income $1,800 a year higher than the current owner, assuming that both devote 25% of their income to housing. For the property to be sold to someone with the same income and without raising the rents, the selling price would have to drop from $20,000 to $16,000 just because of the changed interest rate. This is a problem which effects the whole country but obviously has its most severe impact on those who are just barely able to afford a house.

vacant. Vacancies identified from the same source were only 4.5% further to the south in the area of Tonawanda Street. In order to maintain a relatively low rent property it is important to maintain a steady flow of rent payments. A strong demand must be generated to keep vacancy rates below what they are now. If the turnover of residents who die or more cannot be replaced by new households formed within the community, new residents must be attracted from the outside.

4. Decline in Owner Occupancy - The decline of owner occupancy seems to be a major factor in neighborhood deterioration in areas where income and rents are not rising as fast as the regional average. This appears to be the case in the Meeting House Hill area as well as other parts of the City and has been documented as a process by full scale research studies in other cities. In order to maintain properties when rent levels are relatively low the owner generally must be present to spot problems as soon as they occur and perform many repairs himself rather than relying on expensive maintenance and repair by professionals. The presence of a resident owner also encourages better tenant-landlord understanding and reduces problems caused by tenants who feel victimized by an absentee landlord operating the property as a business. The resident owner who moves out and rents his property may well be creating a problem for himself and the community.

To the extent legally possible the policies of the City should attempt to encourage owner occupancy. The Mayor's Home

Improvement Program is one attempt to implement this policy. Rent Control also operates to encourage owner occupancy by exempting owner occupied buildings from controls. Urban Homesteading will attempt to implement this policy if the problems which have occurred in other cities can be avoided by developing more realistic methods for Boston.

An organized community can help find buyers who would like to live in that community through word of mouth advertising. Realtors should be encouraged to make an extra effort to advertise properties so that they will become known to and appeal to potential homeowners.

B. The Visible Results - Housing Abandonment - Housing abandonment in the Meeting House Hill area has accelerated recently with more buildings becoming totally vacant in the past year than over the preceeding five years. Surveys by the BRA Planning Department found 35 residential buildings north of Bowdoin Street and 12 to the south which were vacant in the Spring of 1974 but had been occupied in the Spring of 1973. During the same period, 10 residential buildings north of Bowdoin Street and 3 to the south were demolished.

One aspect of the abandonment problem is the foreclosure of Federally insured mortgages. This has recently become a problem throughout the country and the Department of Housing and Urban Development is working to determine the most effective response. In February, the Meeting House Hill area had 28 properties owned by HUD as the result of mortgage foreclosure. An additional 6

properties had already been resold by HUD to private owners. Ten of these properties were completely vacant buildings.

The City has also acquired title to 20 properties as the result of unpaid tax liens. Two of these are vacant buildings. Five are lots where buildings were demolished.

C. Recent Responses to Abandonment

The primary emphasis in responding to existing abandoned buildings has been on increasing the speed of public action in order to reduce vandalism of sound structures and the blighting influence of unsound buildings on the community. Available survey and ownership data indicate that of 66 vacant residential buildings in the Meeting House Hill area, 54 remain privately owned.

A major difficulty in dealing with housing abandonment has been the time required to discover that a property owner has stopped taking responsibility for his property and to go through the legal procedures designed to protect the rights of the owner. Consequently, a property is often burned or vandalized in the interim period when no one is managing it.

1. Responses by the City and HUD (Citywide)

The BRA, Littly City Halls and civic groups have conducted surveys to determine vacancies and ownerships.

Little City Halls have served as field offices receiving reports of abandoned buildings, getting City inspectors out to the buildings, tracking down the owners, trying to force the

The difficulty in obtaining financing, even for those willing to pay the higher prices, is the more serious part of the problem since it makes it difficult for a new owner to take over a property even at a bargain price. Banks have had less money to loan recently and may have reduced their lending on older properties more sharply than for new construction. This is difficult to determine however since this type of information is not collected or made public.

3. Increased Costs

Rising interest rates for mortgages and home improvement loans and difficulty in securing financing even for the prospective purchaser who can afford the increased cost in conjunction with increased costs for operation and maintenance have outstripped the homeowner and tenant's ability to pay, particularly when faced with the need for a major repair. Fuel, electricity and building materials have all increased in price and although the large price increases may have subsided it is not expected that the prices will decline. The impact on Boston may be more serious because these buildings are being destroyed before they can be repaired thus reducing the total amount of housing available and causing increased prices. Each housing unit destroyed will cost at least $25,000 to replace, or $75,000 to replace a demolished 3 family structure.

The vacancy rate in rental apartments is another factor in determining the owner's ability to pay for maintenance. The vacancy rate in Meetinghouse Hill is approximately 7.5% or one unit out of 14, excluding those buildings which are totally

owner to repair, board up or demolish the building, and, if unsuccessful, getting the City to board or demolish the building.

The Housing Court has cooperated in determining the real owners of abandoned properties and forcing them to take responsibility for their property.

The Building Department has assigned an inspector to survey all vacant buildings owned privately, by HUD and the City to determine which should be demolished immediately, which should be boarded for rehab and which can be sold as is.

HUD has made money available for the immediate demolition of their unsound buildings. The City has accelerated its demolition program.

HUD has attempted to speed up the return of property to private owners by selling buildings at auction and by selling them without renovation.

HUD has reorganized its Area Management Broker districts to conform more closely with Little City Hall service areas and has attempted to select property managers who can best service each district.

2. Response by Proposed State Legislation

Representative Paul White has introduced a bill which would require banks to list the geographical areas of their deposits and loans. This would be a single first step toward understanding when the flow of financing to an area has increased or decreased. Senator Joseph Timilty has introduced another bill, Senate 1684, which attempts to channel money through a

rehabilitation arm of the Massachusetts Housing Finance Agency to people and areas not presently being well served by private financing.

The banks, particularly those already heavily invested in the area, have a stake in preserving the area. They must be persuaded to maintain an adequate flow of funds to protect their investments and they must be assured that the residents and the City are both committed to neighborhood preservation.

IV. Possible Action

To summarize the abandonment phenomenon, the Meetinghouse Hill Area has experienced: a decline in purchasing power, while maintenance costs have increased, mortgages are not readily available and their increased rate adds measurably to monthly housing costs and homeownership has declined.

A strategy to combat these forces must confront the basic market reality of increased costs and decreased incomes. Generally, the strategy should attract new homeowners to the area while supplementing those incomes which are low.

A. The Neighborhood

1. Continue Involvement

Undoubtedly, the major issue for the community is to continue their recent efforts to organize neighbors and to be watchdogs for vacant buildings. Moreover, the more knowledge the community has about the abandonment process, the better they will be able to deal with it.

2. Improve the Marketability of Housing

The community should work closely with realtors since

all too often, realtors are insensitive to neighborhoods.

3. Improve the "Image" of the Community

It could be possible for the community to involve the media in a public relations effort to remove some of the stigma which the public has toward the Dorchester area in general.

4. Begin Discussions with the University of Massachusetts to encourage faculty and staff to acquire homes and selectively utilize some students to fill in vacancies

The new University of Massachusetts Campus in Dorchester offers one obvious opportunity to strengthen the housing market. The University the City and the community have so far approached this opportunity with great caution out of a concern for the possibility of drastically increased rents and sharp changes in the character of the neighborhood. A carefully drawn up program of encouraging faculty and staff ownership and some student occupancy in certain buildings may serve to prevent the destruction of properties which cannot be maintained or rehabilitated at the existing low rents and which would not only be lost to the housing market but have negative impacts on the strength of the neighboring properties. This should be a matter for careful consideration by the community, the University and the City.

5. Support Legislation

Work with the State Representatives and Senators to support legislation which may be needed in the area of bank lending practices and insurance availability.

6. Organize the Bowdoin Street Businessmen - Get the Bowdoin Street merchants together and, with the City, work out

the best solution to traffic and parking problems. Discussions should be held with the merchants to determine how they might make their businesses more successful and what new businesses are needed and could be supported. This can be done with the cooperation of the Little City Hall and the Office of Commerce and Manpower.

7. Increase Communication with the Police

Discussions should continue with the police department. Increase neighbor/merchant/police cooperation for crime prevention such as more widespread use of whistles and a light/buzzer system in stores.

B. The City

Since 1970 public sector improvements in the area of Meeting House Hill have included a new school on Olney Street, replacement of the Marshall School, expansion and renovation of the Grover Cleveland School, the opening of the Hernandez School and Central Kitchen Facility and the opening of 90 units of subsidized elderly housing at Eaton Square. A combined public-private effort has produced the new Dorchester House. Of the two libraries serving the area, the Fields Corner branch is new and the Uphams Corner branch is scheduled for replacement within the next three years. Ronan Park, the major recreational resource, has had $260,000 worth of reconstruction and improvement over the past 5 years. Bowdoin Street is scheduled for reconstruction during the next year and lighting is programmed for Uphams and Fields Corners. These improvements represent major expenditures of funds intended to make up for a long history of underinvestment and to manifest a commitment to the future.

1. Immediate

a. Boardings and Demolitions - The City must continue to make available adequate funds for boarding and demolition of buildings. The City should attempt to accelerate the process of boarding up buildings in order to prevent the need for demolition. Community surveillance and police responsiveness make boarding an effective use of City funds.

b. Vacant Lot Program - The City should expedite a program or vacant lot sale. To do this an accelerated foreclosure process is necessary.

c. Support State Legislation - The City should support Rep. Paul White's disclosure bill and Senate 1684.

d. Discuss Lending Practices with Banks - The City should openly discuss mortgage availability with the major lending institutions.

2. Possible Future Programs

a. Public Mortgage Market - If mortgage funds cannot be made available through the private sector, the City should evaluate the possibility of initiating a joint City/State mortgage program.

b. Extension of the Mayor's Housing Improvement Program - Residents and businessmen in areas of abandonment are taxed at a higher percentage of their market value than other areas in the city. To compensate for this in a positive way, the City should extend the tax credit for improvements to perhaps 20% and include businesses as well.

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c. Early Abandonment Warning System - Working with neighborhood groups the City should establish a system which would insure that a house ready to be abandoned is sold as opposed to vacated.

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